

⌘ ASSESSOR'S ANNUAL REPORT ⌘

The 2004 update of property values was conducted to comply with RSA 75:8-a -Five Year Valuation. This law required that at least as often as every five years, the Selectmen shall value all real estate within the municipality so that the assessments are valued in accordance with the market value. Under this law, Hampton is required to perform another revaluation for the 2008 tax year.

Each year between revaluation cycles, the Assessor's Office has to comply with RSA 75:8 – Revised Inventory. This law requires that annually and in accordance with State assessing guidelines, the Selectmen shall adjust assessments to reflect changes so that all assessments are reasonably proportional within the municipality. Assessors and Selectmen shall consider adjusting assessments for any properties that:

- a. They know or believe to have had a material physical change;
- b. Changed ownership;
- c. Have undergone zoning changes;
- d. Have undergone subdivision, boundary line adjustments, or mergers;
- e. Have undergone other changes affecting value.

The N.H. Legislature identified five areas of assessing practices for the Commissioner of the Department of Revenue Administration to review and report on:

- a. Whether the level of assessments and uniformity of assessments are within acceptable ranges as recommended by the Assessing Standards Board;
- b. Whether assessment practices substantially comply with applicable statutes and rules;
- c. Whether exemption and credit procedures substantially comply with applicable statutes and rules;
- d. Whether assessments are based on reasonably accurate data;
- e. Whether assessments of various types of properties are reasonably proportional to other types of property within the municipality.

After careful review by DRA of the assessing practices for the tax year 2003, it was determined that Hampton successfully met the above five guidelines. The review recommended that the Assessor's Office conduct a full review of the Veteran's Credit Applications to ensure that all necessary information was documented. One area of concern for the future is item d. "whether assessments are based on reasonably accurate data". Hampton last had a remeasure and relist of all properties in 1989. Although we have a good building permit program in place, the accuracy of the data on the property record cards will deteriorate over time for many reasons. The Town should be making some plans for the future to remeasure and relist all of its properties to update all property record cards.

TAX RATE STATISTICS

An increase or decrease of \$114,956 in expenditures can change the tax rate 5 ¢.
An increase or decrease of \$6,480,450 in assessed value can change the rate 5¢.

LEASED LAND UPDATE

The town still has 42 lots of leased land. There were 5 sales in 2004 and a few new leases drawn over the year. All sales are paid in full by certified check only and are at 100% of market value. You can look at the Trustees of Trust Funds Report to see the revenues from the sale of leased land that are put into a trust account. The interest from the trust funds is put into the General Fund at year's end to help reduce the tax rate.

Robert A. Estey, Assessor, CAE, CNHA
Angela L. Boucher, Deputy Assessor, CNHA
Arlene Mowry, Assessor's Assistant

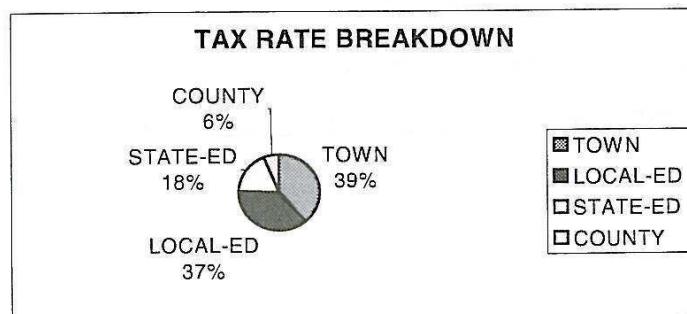
⌘ 2004 TAXABLE VALUATION BREAKDOWN ⌘

DESCRIPTION	VALUE	% OF TOTAL VALUATION
TOTAL VALUATION	\$2,430,853,500	100.000%
EXEMPT PROPERTIES	105,956,000	4.360%
SCHOOLS	35,821,200	
MUNICIPAL	34,654,200	
CHURCHES	13,209,500	
OTHER	22,271,100	
TOTAL TAXABLE PROPERTY	\$2,324,897,500	95.640%
VALUATION EXEMPTIONS (ELDERLY, BLIND, ETC.)	\$17,579,100	.739%
<u>TOTAL TAXABLE VALUATION</u>	<u>\$2,307,040,100</u>	<u>94.917%</u>

<u>DESCRIPTION</u>	<u>COUNT</u>	<u>VALUE</u>	<u>% OF TAXABLE PROPERTY</u>
SINGLE FAMILY HOMES	4438	1,295,800,100	55.736%
MOBILE HOMES	343	17,188,600	0.739%
MULTI-FAMILY	751	207,455,800	9.353%
RESIDENTIAL CONDOS	2142	402,176,800	17.299%
RESIDENTIAL PROPERTIES	7674	\$1,932,621,300	83.127%
COMMERCIAL	428	272,205,200	11.708%
INDUSTRIAL	36	29,594,000	1.273%
UTILITIES		42,800,000	1.841%
COMM/IND CONDOS	208	20,689,000	0.890%
COMMERCIAL PROPERTIES	672	\$365,288,200	15.712%
TOWN LEASED LAND	42	7,587,900	0.327%
VACANT LAND/CUR USE	251	18,671,100	0.803%
MARSHLAND	213	729,000	0.031%
TOTAL OTHER PROPERTIES	506	26,988,000	1.161%
<u>TOTAL TAXABLE PROPERTIES</u>		<u>2,324,897,500</u>	<u>100.000%</u>

⌘ TWO YEAR TAX RATE COMPARISON ⌘

	<u>2003</u>	<u>2004</u>
GROSS ASSESSED VALUE:	2,311,305,900	2,324,897,500
Less Elderly/Blind Exemptions:	8,814,600	17,579,100
NET ASSESSED VALUE:	2,302,491,300	2,307,040,100
NET PRECINCT VALUE:	451,083,600	446,914
Assessment Ratio	94%	84%
 TOTAL TOWN APPROPRIATION:	 38,100,120	 26,671,222
TOTAL REVENUES AND CREDITS:	-23,142,454	-11,422,733
LOCAL EDUC APPROPRIATION:	12,083,130	15,103,370
STATE EDUCATION APPROP:	9,782,164	7,454,376
COUNTY TAX APPROPRIATION:	2,483,939	2,468,869
TOTAL APPROPRIATION:	39,306,899	40,275,104
 BPT REIMBURSEMENT:	 -66,825	 -66,825
WAR SERVICE CREDITS:	+121,400	+524,435
OVERLAY:	+298,505	+191,788
 PROPERTY TAXES TO BE RAISED:	 39,538,579	 40,400,067
PRECINCT TAXES TO BE RAISED:	347,162	360,199
GROSS PROPERTY TAXES:	39,885,741	40,760,266
 MUNICIPAL RATE:	 6.65	 6.89
SCHOOLS RATE: TOWN	5.25	6.55
STATE	4.34	3.29
COUNTY RATE:	1.08	1.07
TOTAL RATE:	17.32	17.80
 Exempt Precinct Rate:	 17.52	 17.99
Precinct Rate:	18.21	18.75



⌘ BUILDING DEPARTMENT - CODE ENFORCEMENT ⌘



Looking back on 2004 at the amount of activity and construction that has taken place, and continues to be underway throughout the community, it is not surprising that this department continues to issue building, plumbing, electrical and mechanical permits at a record pace.

In addition to the application and plan review process, approvals, processing and data entry required to issue these permits, also comes numerous required and oftentimes complicated inspections related to these projects. The volume of activity taking place throughout the community has been keeping the department very busy, and most often it is difficult to keep up with the demand that is put on the staff. I am hoping, in the near future to add a part-time inspector to help us service the needs of the community and help tackle the workload. I would require this individual bring a professional background in the plumbing trade, which would then give this department a well-rounded group of professionals licensed and certified in all of the major aspects of the construction industry.

In addition to the daily responsibilities of the Building Department, code enforcement, life safety and health and human services needs are dealt with on a regular basis. We also monitor and enforce the Town's zoning ordinances. One of those responsibilities is to assist the citizens and contractors with the appeals process to the Zoning Board of Adjustment. These duties include receiving, reviewing and processing the applications, publishing agendas, processing and mailing certified notices, scheduling hearings as well as assisting the Zoning Board through the long agendas and often complicated petitions that are brought before them on a monthly basis. It has been stated, but I have yet to confirm, that the number of petitions brought before the Hampton Zoning Board of Adjustment is one of the largest if not the largest number of petitions heard by an appeals board in New Hampshire.

At the conclusion of the December hearing the Hampton Building Department will have processed 111 petitions and the Zoning Board will have heard 102 petitions in 2004.

This being my fifth year as Building Inspector and Department Head, I am amazed at how fast the time has passed. Looking back, I am pleased with the amount of progress we have made and the positive changes that have taken place throughout the community as well. Looking forward, there is still a lot of work to do, and we will continue looking for ways to improve this department's operations in order to better serve the community.

As of the time of this report, the Building Department had collected \$223,574.20 in permit fees, which represents 115% of the Building Department's entire operating budget, including wages and benefits.

In closing, I would ask that you continue to support our troops and remember that so much of what we are able to do and the freedom we enjoy is because of them.

Respectfully submitted,
Kevin D. Schultz, Building Inspector

The following are some of the 2004 statistics:

Permits Issued:	1,727
Inspections Performed:	4,661
Certificates Of Occupancy:	
Rental	79
Non-rental/commercial	107
Construction Value:	\$34,368,398.95
Fees Generated:	\$ 223,574.20

⌘ REPORT OF THE FIRE, EMERGENCY MEDICAL ⌘ & RESCUE SERVICE

2004 brought another year of increased service demands managed on a default budget voted by the taxpayers in March. Although our calls for service increased 3% to over 4,500 responses, we exemplified our commitment to excellence and maintained the top quality Fire, EMS, and Rescue services for our citizens and guests of Hampton.

Grant Revenue

The highlight of the year was our ability to obtain revenue for new projects. It was a record-breaking year as we have successfully been awarded approximately \$900,000.00 in State and Federal money for new projects.

In January, we received the great news from Senator Judd Gregg's office that Hampton would be receiving the amount of \$483,854 for construction of a Public Safety Marine Docking Facility. The facility will be a multiple governmental agency use dock with the ability to accommodate marine vessels owned by the Town of Hampton, New Hampshire Marine Patrol, New Hampshire Fish and Game, and the United States Coast Guard and/or other federal agencies. The general public will not have access to the pier/dock. The dock will be owned and maintained by the Town of Hampton. The extent of the project is a secured government marine structure that will allow federal, state, and local authorities to coordinate marine operations under the National Incident Management System model (NIMS). This model provides for a consistent regional approach for governments to work effectively and efficiently together to prepare for, prevent, respond to, and recover from domestic incidents, regardless of cause, size, or complexity.

Also in January, we were co-awarded with the police department \$34,646.98 for the exclusive purpose of acquiring All Terrain Vehicles for off-road (beach and trails) law enforcement and rescue service. The ATV's also provide us transportation into a highly toxic environment created by a hazardous material leak or terrorist incident.

In July, we were awarded \$67,378 from the United States Fire Administration (USFA), which is a division of the Federal Emergency Management Agency (FEMA) within the Department of Homeland Security. The exclusive purpose of the grant was to help local fire departments purchase firefighting equipment, fund firefighter health and safety programs, enhance emergency medical services programs, and conduct fire education and prevention programs.

In October, we were co-awarded with the police department \$35,830.82 for the purchase of additional radios that provide interoperability for both departments.

In December, we were co-awarded with the police department \$250,000.00 from the State of New Hampshire Department of Safety. This money will be allocated for mobile computers, software, radios, antennas, and related equipment to provide responding police and fire units real time information about emergency scene conditions, hazards, and strategic mapping capabilities.

Two additional grants were received to enhance our training and planning capabilities for the amount of \$39,135.00 through the New Hampshire Bureau of Emergency Management.

AGENCY	PROJECT	AMOUNT
NOAA	Public Safety Pier	483,854.00
NH Dept. of Safety	All Terrain Vehicles	34,646.98
NH Dept. of Safety	Interoperable Radios	35,830.82
NH Emergency Management	Planning/Training	6,800.00
NH Dept. of Safety	Mobile Data Equip.	250,000.00
USFA	Wellness/Fitness	67,234.00
	TOTAL AWARDS	878,365.80

EMS Revenue

Due to a highly successful Emergency Medical Services Special Revenue Fund, a new ambulance was purchased this year at no expense to the taxpayer. The entire cost was paid for by the Emergency Medical Services (EMS) Special Revenue Fund. Our net cost of the new ambulance was \$110,249.45, which was completely funded through insurance revenues we collect from patient transports and billing for services. We expect delivery in February 2005 and will be replacing our 1997 unit. The EMS Special Revenue Fund also funded 80% of our new 2005 Command vehicle and our rescue boat.

Fire Prevention Bureau

The Bureau of Fire Prevention continues to work toward fire safety by focusing on fire prevention education, plan reviews, inspections, code enforcement and investigations. Fire Prevention Officer McDonald and Fire Inspector True have become Certified Fire and Explosion Investigators, increasing the efficiency of investigations. Fire Inspector True has also become a Certified Fire Protection Specialist, which will help the Bureau stay abreast of new technology and code changes. Robin Arsenault has been a great asset to the Bureau, allowing the Inspectors more time in the field to meet the demands of the Bureau.

ACTIVITY	#
Fire Code Inspections & Enforcement	1,800
Fire Code Plan Review	137
School Fire Safety Education	2,000
Fire Investigations	19
Fire Alarm Service Calls	800
Permits Issued	200

Training

As I say each year, adequately trained employees are the backbone of any successful organization. This year brought a year of continued emphasis by management to better train the workforce for our increasing demands. The Firefighters and Officers have received training on confined space rescue, company operations for structure fires, various safety-related refresher courses, radiological monitoring, and plenty of required EMS continuing education.

Summary

To conclude, 2004 has been a year of acquisition. Our mission becomes more complex every year. The citizens of Hampton can feel proud that the employees of Hampton Fire / Rescue are meeting the everyday challenges, with providing services second to none in the state.

Hank Lipe
Chief of the Department



Chief Lipe speaking at the dedication of Marine 1.

⌘ LEGAL DEPARTMENT ⌘

The year 2004 is the second year in which the Town has had an in house Legal Department. The Legal Department handles litigation that is brought by and against the Town, reviews the many contracts necessary in running the Town's business, advises Town Departments and Boards, and addresses the Town's legal issues involving State and Federal agencies. The presence of an in house Legal Department affords the Town the opportunity to avoid litigation through early intervention.

While a lot of our work goes on behind the scenes, the litigation handled by the Legal Department serves as a visible reminder of what we have accomplished for the Town. During the year 2004, the Legal Department achieved three major litigation victories that will save the taxpayers of Hampton hundreds of thousands of dollars.

First, in January, the Department's efforts resulted in final dismissal of a Court suit by a developer that sought to invalidate all of the zoning designations at Hampton Beach as well as to recover damages. This success saved the Town of Hampton untold dollars that would have been expended in having to rezone the Beach.

Second, in May, the Department obtained a decision from the Board of Tax and Land Appeals that rejected a sport facility's claim to a charitable tax exemption. This success has saved the Town of Hampton over \$40,000.00 per year in tax revenues that would have been lost if this exemption had been granted.

Third, in November, the Rockingham County Superior Court granted the Legal Department's Motion to Dismiss a damages suit brought by a property owner who wanted the Town to pay for removal of "household" waste found beneath the site of a proposed addition to an industrial building. Through the efforts of the Legal Department, it was shown to the Court that the property owner had known of the presence of this waste for a number of years, and the suit was dismissed on statute of limitations grounds. The total cost of removal of this waste was estimated to be in excess of \$100,000.00. This success saved the Town of Hampton not only the cost of removal, but also the cost of a lengthy trial possibly involving years of preparation and expert witness fees.

In a fourth litigation the Superior Court awarded to the Town its attorney's fees from those parties who had missed a hearing. This award prompted the Finance Department to calculate for the Court how much it costs the Town on an hourly basis to run its Legal Department. That rate turned out to be approximately \$87.00 per hour, which is extremely low in comparison to the cost of hiring work out to outside, private firms. For that figure, the Town has the benefit of the full time presence of an attorney with over 26 years of experience, ably assisted by a legal assistant who has both a paralegal degree and a bachelor's degree in political science. By comparison, when the Town has had to contract for legal services with private firms, attorneys of comparable experience have charged as much as \$300.00 per hour and bill their paralegals out for as much as \$175.00 per hour.

These visible successes of the Legal Department, along with numerous behind the scene accomplishments, demonstrate the many benefits to the Town of having an in-house Legal Department, including the dramatic cost savings that it achieves for the citizens and taxpayers.

Respectfully submitted,

Mark S. Gearreald, Town Attorney
Wanda Robertson, Legal Assistant

⌘REPORT OF THE POLICE DEPARTMENT⌘

Full-Time Law Enforcement Officers	34
Part-Time Law Enforcement Officers	70
Full-Time Civilian Personnel	9
Part-Time Civilian Personnel	3

A mission and value statement guides the employees of the Hampton Police Department in the performance of their duties. Those statements further emphasize our commitment to the philosophy of Community Policing and read as follows:

MISSION STATEMENT

The mission of the Hampton Police Department is to enhance the quality of life for all persons who live, work and visit our community by:

- Fostering partnerships within our community to promote safe, secure neighborhoods;
- Maintaining order and peace, while affording dignity and respect to every person;
- Safeguarding individual rights; and,
- Preventing crime while aggressively working to solve those crimes which occur.

We strive to accomplish this mission through the delivery of quality police services; and the pursuit of excellence and dedication in the performance of those services.

VALUES STATEMENT

All employees of the Hampton Police Department will be guided by the following shared values:

A. Human Life

We value human life and dignity above all else. Therefore, we give first priority to any situation that threatens life. We utilize the proper levels of force and only when necessary. We treat all persons in a dignified and courteous manner, and exhibit understanding of ethnic and cultural diversity, both in our professional and personal endeavors. We will remain constantly aware of the need for compassion, caring, and common sense in dealing with people.

B. Integrity

We believe integrity is the basis for public trust. Therefore, we are committed to the highest performance standards, ethical conduct, and truthfulness in all relationships. We hold ourselves accountable for our actions and take pride in a professional level of service to all.

C. Excellence

We strive for personal and professional excellence. Therefore, we strive to do our best in all situations and to provide quality service in a courteous, efficient and accessible manner. We vigorously enforce local, state and federal laws; and, are committed to the defense of the Constitutions of the United States and the State of New Hampshire. We promote community and employee interaction through problem solving partnerships. We empower our employees at all levels to engage in problem identification and problem solving activities. We strive for professional performance through continual training, education, and commitment to our duties. We will not tolerate misconduct by an employee and we will treat our fellow employees and our work environment with dignity and respect.

New Police Station Building Project Progress

I am very pleased to report that WE ARE IN our new police station! The Board of Selectmen conducted a ribbon cutting on December 13, 2004, which officially opened the new facility, and the building became fully operational on December 28, 2004. Our thanks go out to the many people who contributed to the success of this project, to include past and present members of the Board of Selectmen; Town Manager James Barrington; Kaestle-Boos Architects; Whitcher Builders; members of the Police Facility Committee; and, the officers and employees of the police department. We are planning to conduct an open house for the entire community in the spring and hope that you will all join us at that time. Until then please visit our website at www.hamptonpd.com, where you can view photos of the construction from start to finish.

OPERATIONS:

The year 2004 was a challenging one for the police department. We were faced with a default budget, which impacted certain areas of our operation. Our staff worked hard to keep the impact from being felt by citizens, especially in critical operational areas. The officers and members of our department continue to strive to provide excellent service to our community.

PERSONNEL:

In September, Officer Stephen Champey was assigned from patrol duties to School Resource Officer at Winnacunnet High School, replacing Officer Barry Newcomb who returned to the patrol division.

On behalf of the Town and Police Department, I want to extend a special note of thanks and congratulations to Officers Dennis Royal and John Cross. Both of these gentlemen resigned their positions this year after serving this department as special police officers for over 60 years of combined service. We extend our heartfelt thanks and wish them the best in their future endeavors.

DEPARTMENT OPERATIONS:

The department remained very active serving our community this year. Officers responded to 25,706 calls for service in the community. Over 7,399 vehicles were stopped as a result of our traffic safety program. 2,018 people were arrested. Over 1,610 incident reports were filed and investigated resulting in 4,120 separate offenses being reported to the police. The department investigated 524 accidents during the past year resulting in 479 State Accident Reports being filed. Officers issued 2,742 parking tickets resulting in \$64,380 in revenues collected.

During the summer and busy pre-season weekends, the New Hampshire State Police continued to assist the Hampton Police Department by assigning additional Troopers to help provide an added presence of law enforcement personnel to our streets. In addition the Rockingham County Sheriff's Department and the Seacoast Emergency Response Team provided assistance on the busy 4th of July weekend. A special note of thanks to the Department of Safety Commissioner Richard Flynn, State Police Colonel Fredrick Booth and Rockingham County High Sheriff Daniel Linehan for their continued support and cooperation.

CONCLUSION:

On behalf of the members of our Department, I would like to extend our sincere appreciation to the Town Manager, James Barrington, and the Board of Selectman, all Town Committees, and Town Departments for their help, cooperation, and continued support throughout the year. We also wish to thank the business community and the people of the Town of Hampton for their continued generosity and gracious support.

Finally, I wish to thank the families of our employees for the sacrifices they make every day due to the nature of this job, and I commend all our members for their professionalism, dedication and hard work towards providing the Town of Hampton with the best law enforcement services.

Respectfully submitted,
William L. Wrenn, Chief of Police



The Board of Selectmen officially open the new police station on December 13, 2004

⌘ DEPARTMENT OF PUBLIC WORKS ⌘

Personnel:	Full -time	41
	Seasonal	22
	TOTAL	63

Your Public Works Department is alive and well. We hope that we have performed in our jobs and collective responsibilities that you entrust to us year after year, to your satisfaction – if not let us know how we can improve our services to you.

Most people that will read this report either live or work in town. For those that live or work here – we are indeed lucky and quite fortunate in many ways, and are thankful as well! We are thankful to our customers – the Town residents who support us all the year round, for telling us what they want – and what they don't like. We take this partnership very seriously and want nothing more but to perform to your needs, wants, desires and expectations – all of course, within budget.

Those that live here know about the great quality of life that we are surrounded with; as your employees, we get to see it every day and we want to add to its future preservation! We have close access to highway systems that can bring us to Boston, the mountains, or Maine to the north. With the availability to “get somewhere – anywhere – quick” we still have a “small town feeling” even though the town has grown from recent development pressures. We have this small town feeling, in part, because our employees project this and are responsive to any resident or tourists needs. Town employees are a dedicated bunch. Just in our department alone, our average employee has invested about 16 years (the bulk of their working lives) to this cause –which equates to SERVICE, DEDICATION and EXPERIENCE for the town of Hampton residents.

Growth and the expenses that come to satisfy a larger community's needs are not easy to understand or accept, particularly when our taxes go up. One thing that we have seen over the last decade is a huge value increase to our homes. In other words, our equity in our homes has increased – and our taxes have increased to keep pace with services for a larger population. We believe that as much as our taxes have proportionally increased, our services are well worth the investment for all of us. Just compare our service levels to neighboring towns, and I think that you will agree. As fast as our builders can build them – homes here sell. People want to live in Hampton, partly because of its services, also its geographic location. I believe that our community leaders, town employees and residents make Hampton so desirable – we are all investors, stakeholders – and receivers.

We hope that in our small way, we – DPW – have contributed to our share of responsibilities, and are cost effective in our efforts to provide the level of service that we have all been accustomed to receiving. Let us know when we are not.

Here are some of our major efforts this year:

Sewers and Drains

In addition to their numerous maintenance duties, town crews installed 28 new sewer service laterals and repaired 39' of sewer lines. There were 30 new entrances into our sanitary sewer system requiring 91 inspections; 47 sewer permits were issued. 562 locations made for contractors, utility companies and the public. In addition, 27 calls for plug-ups were handled, of which 8 were the responsibility of the Town. We cleaned 24,177' of sewer lines with the sewer jet and cleaned many of our 2200 catch basins and drain lines.

Construction projects this year included replacement of 2,400' of old sewer and drain lines on Hobbs Road. This will relieve problems to homeowners from blockage caused by roots in the lines and solve a continuing maintenance problem for the crew.

Every year in order to properly maintain our aging infrastructure, projects are proposed in the budget to replace old sewer and drain lines that are affected by root intrusion, cracked and broken pipe or deteriorated pipe which threatens to collapse. This was the case this year when a 36" drain collapsed at Five Corners, in which one of our fire trucks fell into. We were lucky that no other damage was done. We did end up fixing this 200 feet of pipe even though it was taken out of our budget to meet default requirements. We also replaced another 180 feet of deteriorated pipe on Brown Avenue that was also 36" in size.

Snow

We experienced only 5 plow-able snowstorms this year, and numerous events requiring salt/sanding treatment.

Approximately 730 tons of salt were purchased and 300 tons of sand were applied. Because of the growth of new subdivisions we've seen road miles increase 15% in the last decade, now our salt storage facility has become inadequate to store enough product to outlast one good nor'easter. Salt saw a 40% cost increase this year from \$28 to \$40 per ton. With Town Meeting approval we are in hopes of building an adequate salt storage shed and be able to obtain better salt pricing and be prepared for those longer storms.

Treatment Plant

The March 2002 Town Meeting approved \$4.75 million to upgrade capacity at the treatment plant; this construction has just been completed. The general contractor filed for bankruptcy in 2003, but between Wright - Pierce Engineers and DPW staff, work was completed shortly after the New Year (2005). A new 430,000 gallon secondary clarifier was built and improvements to the sludge handling system installed. A retrofit of the aeration tank now enhances our nitrification process thereby reducing ammonia, nitrogen and phosphorus from our effluent, which is harmful to the aquatic organisms in the Hampton Harbor estuary.

The average flow received at the treatment plant was 2.88 million gallons per day for an annual total of over one BILLION gallons of wastewater in 2004; 1.79 million gallons of which was septage. We processed 3000 tons of biosolids (sludge) and removed 65 tons of grit. As always, careful monitoring and testing are conducted to insure all EPA NPDES permit requirements are met.

Highway Maintenance

Highway reconstruction started off slowly this year with the extreme cold that we experienced last winter. Frost was deeper and stayed longer than usual, however snow was below normal. In the spring, it seemed as though just as things were drying out, it would rain again. We finished off the remaining shoulder work from the 2003 projects and started the new road reconstruction efforts on Milbern, Higgins, Blake, Langdale, Stowecroft, and a portion of Drakeside Road. This was funded through the \$350,000 warrant article voted at Town Meeting as part of the annual reconstruction program that began a few years ago. The east end of Drakeside Road, as well as Timberswamp Road, showed signs of severe distress and was shimmed. This served as a temporary maintenance measure to re-establish the shape of the road and to aid in snow removal and stabilization of the road surface until they can be permanently repaired next year.

The seawall at Bi-Centennial Park was repaired as it had been showing signs of spauling and decays over the last few years and was becoming a safety hazard.

The acquisition of a fifth salt spreader for the newest dump truck in the fleet has enabled the department to more quickly cover routes during icing emergencies. This will also make it possible to use this truck on one of the primary routes in the event of a breakdown to one of the mainline pieces. A smaller spreader was also purchased so that narrower streets can be accessed to apply a sand mix for traction.

The arrival of the department's new sidewalk snow blower came just in time for the winter season being a big help for the snowstorm on December 26, 2004.

Marelli Square saw improvements with the removal of the old sidewalk and the installation of a new concrete walk with granite curbing. Many thanks go to the patience of the business owners and residents in this area. Sidewalk repairs were also performed in several areas throughout town including grinding down heaved expansion joints in the town center.

What is it about paint and rain? It seemed as though every time we scheduled the painting contractor to paint road centerlines, it would rain. Finally this was accomplished in August.

Containerization of solid waste within the seasonal business zone during the summer season got off to a turbulent start but was successful as the summer progressed. The end result was a cleaner environment for guests and businesses alike. It took a lot of time and attention but was well worth the effort.

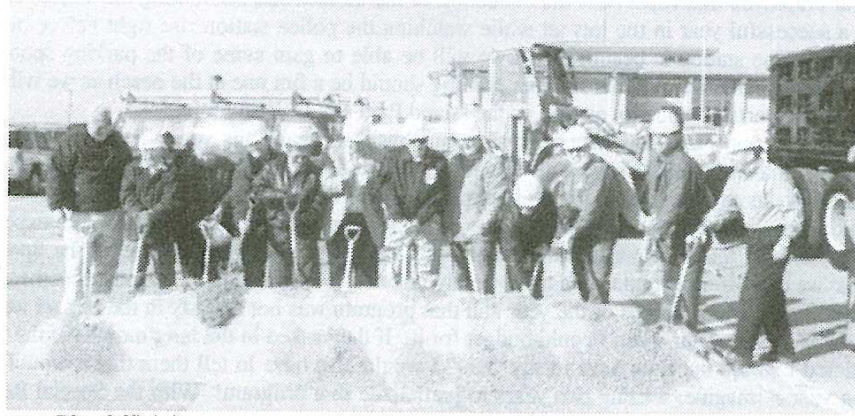
Solid Waste and Recycling

As always, we had another interesting year at the transfer station, starting with the new fees in January. In the past, our revenues were less than \$100,000 a year. With the new fees, we were able to generate over \$170,000 of revenue for the general fund. Over all, our total rubbish collection was approximately 9,700 tons, which was down by 100 tons, or 1% from 2003. This year our curbside and drop collection of recycling was approximately 1750 tons of materials, which is down by less than 1% from 2003. As for our other recyclables, the construction and demolition materials kept pace with 2003. Our scrap metal recycling came in at over 300 tons, which more than doubles what was recycled in both 2003 and 2002. The recycling of Freon appliances was down slightly from 2003, but still over 1,000 appliances were recycled. Again we recycled over 400 wet cell batteries, which is on par with

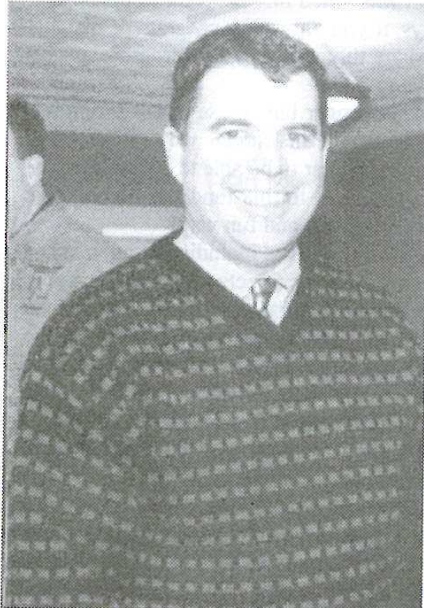
previous years. Our best performance was that we recycled over 600 computer monitors in 2004, which more than doubles 2003. Our best year for monitors, up until now was 2002, with 385 monitors recycled. This year's compost outdid years past. If you want some for your gardens, please see us in the spring for our free-giveaways. Also, check with us in the winter as we give cord-wood away when we have time to split it.

Please let us know if you have any concerns or new programs that you would like us to consider or implement. As a department, we hope that we have measured up to your expectations.

Respectfully submitted,
John R. Hangen
Public Works Director



The Official Groundbreaking for the Hampton Beach Infrastructure Projects



Mr. Peter Howe, Project Manager,
Faye, Spofford & Thorndike



Mr. Dick Violette, Town of Hampton,
Ombudsman

Two of the many people involved with this project!

⌘ PARKS & RECREATION DEPARTMENT ⌘

The year 2004 was a fun-filled year for the Hampton Recreation and Parks Department and its patrons. The staff has stayed constant. We are a full time staff of 4 with approximately 50 to 70 part time and seasonal staff members and numerous volunteers. There is myself, Dyana Martin, Director, Rene' Boudreau, Program Coordinator, Darren Patch, Parks Coordinator and Shirley Doheny, Recreation & Parks Secretary. We are all happy to have served you these past few years and are looking forward to serving you in the future.

The past few years our department has run the town parking lots and their operations down at the beach. Vic DeMarco is our employee that supervises the collection of the monies and scheduling the employees at the lots. This year we had a successful year in the lots all while watching the police station rise right before our eyes at the Ashworth Avenue lot. The station is beautiful and we will be able to gain some of the parking spots back as the construction vehicles have moved out. This summer coming should be a fun one at the beach as we will have lots of spaces to park at the Ashworth Avenue lot as well as the Island Path and Church Street lots.

The Special Revenue Fund was instrumental to our business again this year. In the past our budget had restricted the programs that we could offer. With this fund, we are able to add to our already scheduled agenda of programs. It also allows us to run some of the more expensive trips that we would have not been able to run in the past, such as kayaking or rock climbing. These are very popular programs but they are also quite expensive to run. However, because we have this fund we are able to provide them. Another great feature of the Special Revenue Fund is the fact that we can offer programs in a more timely manner. For example, in the past if someone had asked us to run a program in the earlier months of the year and that program was not already in the budget we would have to say "No" until the following year when I could budget for it. If they asked in the later months of the year after the budget was completed I would not only have to say "No," I would also have to tell them that it would have to wait until the following year – imagine, waiting two years to participate in a program! With the Special Revenue Fund, our only obstacles now are finding a place to hold the program and an instructor. If we can get those two things complete we are able to accommodate our citizens. Since getting the Special Revenue Fund about four years ago, we have grown from 49 trips and programs to 107 trips and programs throughout the year - all with the same staff. So we have more than doubled our offerings since the Special Revenue Fund was voted in. We want to thank you, the voters, for allowing us to serve you in a more efficient manner. As always, if you know of a program or trip that you would like to have us offer or if there is a talent that you would like to share though teaching a program, please let us know.

Last year we had enough money in the fund to purchase a new 14-passenger bus to use in our programs. We used it for many of our senior, teen and children's programs this year. So again, this fund is very efficient and helps us to serve you better. State law requires that we put in a warrant article each year to be able to spend from the fund. Please take a minute out of your day to come out and vote. And voting yes to this fund has no negative impact on the tax rate, it can only benefit you, your family and your friends in a positive and fun way!

Other news from the recreation part of our department brings a few new programs including a much asked for adult flag football league, concerts at the gazebo, trips to the Rockettes Holiday Spectacular, the Hampton Holiday Lights Spectacular Decorating Contest and more Mad Science! All the other programs and trips continued to run and were very popular especially the many babysitting courses that we ran throughout the year and the Hampton Recreation Flag Football League. We had over 200 participants playing flag football again this past fall. I want to thank all the coaches that helped out and special thanks to Chris Morse and Bob Fuller for heading up the league this year. The league was nothing but fun and I am looking forward to next season. Tuck Field and Creative Crickets Summer Camps were as popular and fun as ever and we offered camps for just about every sport you can imagine! And finally, we had a wonderful time with the Senior citizens this year. We had many popular theatre shows, and we added a new "Lunch Bunch" program that we ran with the 14 passenger bus. We took groups holiday shopping to Freeport Maine and transported groups again this year to see the holiday lights around town. After the lights tour, the participants enjoyed cookies and hot cocoa with the firefighters at Station 2. The annual holiday tree lighting ceremony was more fun than ever this year! We had the always popular horse drawn rides and the firefighters served up some steamy hot popcorn. We had Rachel Green and the Hampton Chorale leading carols while the Hampton Area Lions and the Hampton Historical Society passed out goodies. And the townspeople were visited by Santa who brought along some of his friends including, The Cat in the Hat, Bob the Builder, Winnie the Pooh, Tigger, a Teddy Bear and the Grinch. Santa will be inviting more friends again next year. A great time was had by all!

Many thanks to the Recreation & Parks Advisory Council, our instructors, the Lane Library, Hampton Schools, PTA, Public Works, Police and Fire Departments, Hampton Lions Club, HCC, Hampton Area Rotary, Chamber of Commerce, *Atlantic News*, *Hampton Union*, the JR. ROTC and the HYA for your continued support and assistance.

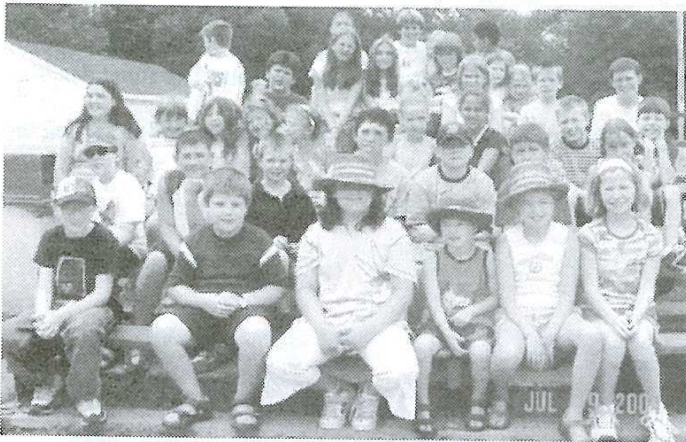
I hope that you have all had a chance to participate in a program or trip through our department. We always enjoy seeing you and are always eager to meet new people in the community. If you haven't been by our offices, drop by and sign up for something fun. Remember the benefits of parks and recreation are endless. On behalf of the Hampton Recreation & Parks Department, we hope to see you in 2005! Life. Be in it!

Respectfully Submitted,

Dyana Martin
Director of Recreation & Parks



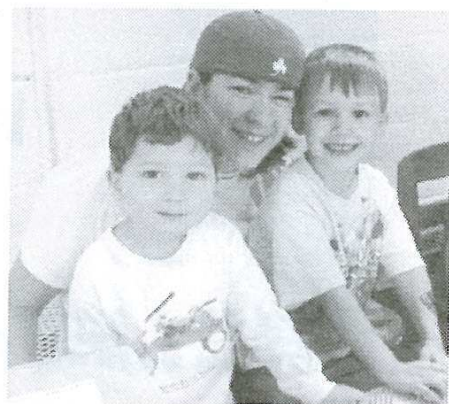
Rock climbing was very popular this year. How high can they go?!!



Fun in the sun at Tuck Field Camp.



Seniors enjoyed preparing goodie bags for the annual Easter Egg Dig.



Meaghan Barnaby takes a break with two "Creative Crickets".

REPORT OF THE TAX COLLECTOR

It was a busy and exhilarating year in the tax office and a great pleasure to continue serving you, the taxpayers of Hampton. Please know that we are happy to serve you. We do not have answering machines. We feel it is our duty and responsibility to speak directly to you and answer all your questions regarding your tax concerns. This also enables us to inform you the taxpayer of tax exemptions you may be entitled to.

Special thanks and recognition to Deputy Tax Collector Lil Hammarstrom for your hard work and dedication, it's a pleasure working with you. Thank you to Deputy Assessor Angie Boucher, you are a team player and you are greatly appreciated. To Glenna Brown and Virginia Murphy, our seasonal part time tax ladies, we couldn't make it happen without the two of you. You both help to ease the stress at tax time. I want you both to know how much you're appreciated for the smooth operation of the busy tax office.

In 2004, this office collected a total of \$40,376,012.89 for property tax, land rent, land use change and tax liens; \$178,268.54 in interest on tax liens and late payments. Tax bills mailed totaled 17,682 for the two billings. Also mailed were 207 certified notices of impending tax lien letters, 66 certified notices to mortgagees and 33 certified notices of possible deeding.

Liens were executed and recorded against 126 properties, representing \$329,932.60 in unpaid 2003 property tax (1% of the Tax Warrant). By the close of 2004, this office collected 94% of the full year 2004 tax levy.

Beginning in 2005, the deadline for filing the elderly, disabled, blind, veteran or veteran's spouse exemptions will be April 15th of the same tax year, per RSA 72:33 as amended. (Example: The filing deadline for the tax year 2005 will be April 15, 2005.)

The tax collector's office wishes a healthy and happy year to everyone and we look forward to serving the great people of Hampton in 2005.

Most sincerely,

Joyce Sheehan, Tax Collector



**TAX COLLECTOR'S REPORT
FOR THE YEAR ENDING DECEMBER 31, 2003**

DEBITS	<u>2003</u>	<u>2002</u>
UNCOLLECTED TAXES, JANUARY 1, 2003		
Property Taxes		\$1,625,041.60
TAXES COMMITTED IN 2003:		
Property Taxes	\$39,893,347.84	
Land Rent	55,384.00	
Land Use Change Tax	30,000.00	
Yield Tax	254.68	7.73
OVERPAYMENT:		
Property Taxes	122,275.27	68,769.43
Land Rent	367.50	
Interest Collected-Delinquent Tax	23,882.00	120,597.39
TOTAL DEBITS	\$40,125,511.29	\$1,814,416.15
CREDITS		
REMITTED TO TREASURER		
Property Taxes	\$38,113,600.07	\$1,325,039.42
Tax Converted to Lien		299,774.93
Land Rent	55,384.00	
Land Use Change Tax	30,000.00	
Yield Tax	254.68	7.73
Interest	23,882.00	84,708.81
Int. & Costs Converted to Lien		35,888.58
ABATEMENTS MADE:		
Property Tax	10,822.04	68,996.68
Land Rent	367.50	
Deeded to Town	2,819.70	
UNCOLLECTED TAXES, DEC. 31, 2003		
Property Tax	1,888,381.30	
TOTAL CREDITS	\$40,125,511.29	\$1,814,416.15

**TAX COLLECTOR'S REPORT OF LIENS
FOR THE YEAR ENDING DECEMBER 31, 2003**

DEBITS	2002	2001	2000
Unredeemed Liens, January 1, 2003			
Liens Executed during Fiscal Year	\$335,663.51	\$175,185.98	91,788.93
Int. & Costs Collected	4,549.38	16,830.22	30,265.88
TOTAL DEBITS	\$340,212.89	\$192,016.20	\$122,054.81
CREDITS			
Remittances to Treasurer:			
Redemptions	\$123,454.65	\$ 96,729.99	\$89,535.03
Interest & Costs	4,549.38	16,830.22	30,265.88
Liens Deeded to Town	2,517.05	2,398.82	2,253.90
Unredeemed Liens, Dec. 31, 2003	209,691.81	76,057.17	
TOTAL CREDITS	\$340,212.89	\$192,016.20	\$122,054.81

**TAX COLLECTOR'S REPORT
FOR THE YEAR ENDING DECEMBER 31, 2004**

DEBITS	<u>2004</u>	<u>2003</u>
UNCOLLECTED TAXES, JANUARY 1, 2004		
Property Taxes		\$1,888,381.30
TAXES COMMITTED IN 2004:		
Property Taxes	\$40,760,201.89	
Land Rent	114,742.00	
Land Use Change Tax	25,000.00	
OVERPAYMENT:		
Property Taxes	95,756.86	113,576.03
Land Rent	7,134.07	
Interest Collected-Delinquent Tax	26,964.65	137,218.22
TOTAL DEBITS	\$41,032,799.47	\$2,139,175.55
CREDITS		
REMITTED TO TREASURER		
Property Tax	\$38,507,593.50	\$1,554,062.88
Tax Converted to Lien		329,932.60
Land Rent	114,742.00	
Land Use Change Tax	25,000.00	
Interest	29,964.65	98,457.15
Int. & Costs Converted to Lien		38,761.07
ABATEMENTS MADE:		
Property Tax	311.50	117,961.85
Land Rent	7,134.07	
UNCOLLECTED TAXES, DEC. 31, 2004		
Property Tax	2,348,053.75	
TOTAL CREDITS	\$41,032,799.47	\$2,139,175.55

**TAX COLLECTOR'S REPORT OF LIENS
FOR THE YEAR ENDING DECEMBER 31, 2004**

DEBITS	2003	2002	2001
Unredeemed Liens, January 1, 2004		\$209,691.81	\$76,057.17
Liens Executed during Fiscal Year	\$368,693.67		
Overpayment			119.94
Int. & Costs Collected	3,230.74	21,114.04	25,501.96
TOTAL DEBITS	\$371,924.41	\$230,805.85	\$101,679.07
CREDITS			
Remittances to Treasurer:			
Redemptions	\$80,965.28	\$ 123,730.96	\$74,645.84
Abatements	533.91	455.34	415.95
Interest & Costs	3,230.74	21,114.04	25,501.96
Unredeemed Liens, Dec. 31, 2004	287,194.48	85,505.51	1,115.32
TOTAL CREDITS	\$371,924.41	\$230,805.85	\$101,679.07

⌘ TOWN CLERK'S REPORT ⌘

It's hard to believe the year is over. I can't remember a year that flew by so quickly. This was the year of elections. We went from the Deliberative Session in January to the General Election in November, with the Presidential Primary, Town Election and the State Primary in between. During the five election periods, we were busy with absentee ballots, preparing the tally sheets, complying with the new HAVA regulations and reporting minutes to the Department of Revenue and results to the Secretary of State. We barely finished one when we started on the next. They all went smoothly thanks to a very dedicated election team of men and women, who have been with us for many years.

Throughout the time we were working on election, we managed to register 19,000 cars, 1500 dogs, 800 boats, and hundreds of new voters; along with issuing marriage licenses, vital records, recording lien filings, wetlands permits and transit permits. We collected over \$3,700,000 in fees to be deposited to the General Fund in the town or to be disbursed to the State of New Hampshire.

REPORT FOR THE YEAR ENDING DECEMBER, 2004

<u>Description</u>	<u>Debit</u>	<u>Credit</u>
Cash	\$2,917,117.09	
Dog -State		\$ 3,392.35
Vitals-State		10,160.00
Local Title Fee		11,996.00
Motor Vehicle Permits		2,804,658.73
Municipal Agent Fees		48,377.50
Dog - Town		6,469.65
Boat - Town		15,435.47
UCC Transactions		4,074.00
Vitals-Town		3,277.00
Miscellaneous Fees		9,276.39
Boats - State	21,880.00	21,880.00
State Auto Registration	763,864.85	763,864.85
Grand Total	\$3,702,861.94	\$3,702,861.94

The Town election in 2004 started my fourth term as Town Clerk. I want to thank the voters in Hampton for their support throughout the past ten years and I look forward to offering additional services for your convenience during the next three years.

We are currently working towards e-mail renewals for those residents who inquired about the ability to do registrations over the Internet. This will also enable those residents to be notified via e-mail when their vehicles are due for renewal.

2004 marked the retirement of our long-time Supervisor of the Checklist, Charlotte Preston; and our Moderator, Paul Lessard. We wish them well and know they will be available to give their assistance if called upon. At the same time, we welcomed our new Moderator Robert Casassa and newly elected Checklist Supervisor Pauline Dwyer-Boyle to the election team. Filling in as a Supervisor of the Checklist is Davina Larivee, replacing Judith Dubois who recently resigned after almost fifteen years.

I have been lucky over the past three terms to have working with me, Deputy Betty Poliquin, Joyce Williams, Davina Larivee and Edith Arruda whose commitment to service, attention to detail, and general good will have made coming to work a pleasure and for this I am grateful.

Sincerely,

Arleen Andreozzi,
Town Clerk

⌘TREASURER'S REPORT⌘

Another successful year for the Town has come and gone. The year proved to be an excellent one for tax collections, therefore decreasing the need to borrow. After negotiations with two banks, the Town was able to obtain a \$2,000,000.00 line of credit with a fixed interest rate of 1.39%. The Town had to borrow twice during the year. The first time was in May and again in November. The interest expense for the fiscal year ending December 31, 2004 was \$10,801.80.

In December the Town went out for its first bond since 1975. For this bond issue the Town used Citizen's Bank as Financial Advisor. The Town also had its first Bond rating by Moody's Investors with a rating of A1. "The A1 rating incorporates the Town's sizable, advantageously located tax base with above-average wealth levels, stable financial operations with satisfactory levels of fund equity, and below-average debt burden."

Because of the great rating from Moody's the Town was able, on December 21, 2004, to obtain a \$6,000,000.00 bond for twenty years with a rate of 4.865%. This rating from Moody's will also be beneficial when the Town borrows in the future. I look forward to a great 2005.

Ellen Lavin, CPA, Town Treasurer

MOODY'S ASSIGNS AN INITIAL A1 RATING TO THE TOWN OF HAMPTON'S \$6 MILLION GENERAL OBLIGATION BONDS

NEW YORK, December 20, 2004 -- Moody's Investors Service has assigned an initial A1 rating to the Town of Hampton's \$6 million General Obligation Bonds. The bonds are general obligations of the town, secured by an unlimited tax pledge. Proceeds will finance infrastructure upgrades to the town's beachfront. The A1 rating incorporates the town's sizable, advantageously located tax base with above-average wealth levels, stable financial operations with satisfactory levels of fund equity, and below-average debt burden.

SIZABLE TAX BASE WITH UNDER-UTILIZED BEACHFRONT AND ABOVE-AVERAGE WEALTH LEVELS

Moody's believes that the town will continue to benefit from its \$2.5 billion tax base located 35 miles from Manchester (rated Aa2) and 46 miles from Boston (rated Aa2) along the New Hampshire shoreline. The town, which is bisected by Route 95, has an extensive, underdeveloped beachfront. The town is working with an economic development company to encourage development on the beachfront while it makes necessary infrastructure improvements financed by this issue. New housing construction, including the redevelopment of beachfront properties, and a revaluation which took effect in 2003, have helped increase assessed valuations 72% since 1999. Appreciating housing values captured in the recent revaluation have contributed to a high full value per capita of \$165,573. While the town retains a few operational farms, considerable tax penalties associated with their development and an absence of sewer services have retarded their conversion into housing developments. Town residents have easy access via local and interstate roads to jobs in surrounding areas, and also benefit from a modest number of locally-based light manufacturing jobs. Wealth indices are comfortably above state averages.

STABLE FINANCIAL OPERATIONS WITH SATISFACTORY RESERVES

Moody's expects the town to maintain stable financial operations given a history of prudent budgeting, the maintenance of satisfactory levels of fund equity, and an adequate cash position. The town's General Fund balance equaled \$3.3 million (14.9% of revenues) in fiscal 2003, an amount consistent with fund equity over the two previous fiscal years. Absent encumbrances, the fiscal 2003 fund balance was \$1.8 million, or an adequate 8.2% of revenues. The town derives the majority of its revenues from property taxes (73%), followed by local receipts (14%), and collects and remits property taxes for local school districts and Rockingham County (rated Aa3). Because of a timing mismatch between the town's collect cycle and the school districts' fiscal years (beginning July 1), the town annually borrows tax anticipation notes bridge a period of narrow liquidity. The town used \$400,000 of fund equity as revenue in fiscal 2004 budget and is projecting a surplus of approximately \$275,000, resulting in a modest draw down of the General Fund balance. Town residents will vote on the fiscal 2005 budget in March 2005. Management expects the budget to include manageable increases in personnel, health insurance, and pension costs.

BELOW-AVERAGE DEBT SERVICE

Moody's anticipates that the town's direct debt burden (0.7%) will remain manageable given limited future borrowing plans and the rapid amortization of existing obligations (76.1% in ten years). The town's overall debt burden, which includes all overlapping obligations, is a below-average 1.1%. The town's capital improvement plan includes the construction of new fire department facilities (approximately \$6.5 million) and a new community center (approximately \$8 million). The debt must first be authorized by a town-wide vote; management expects to finance these projects in a few years. The current issue is part of a \$12 million authorization, the balance of which will be raised through the state's revolving loan fund program. In addition to the current issue, the town has approximately \$12 million of outstanding long-term loans, which were issued through the New Hampshire Bond Bank (rated Aa2) and a local commercial bank. Copyright 2004, Moody's Investors Service, Inc. and/or its affiliates. Reprinted with permission. All Rights Reserved.